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Group Art Unit: 2743
Serial No.: 09/181,151
Examiner: M. Ramakrishnaiah
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Title: Establishing Audio
Communication During
Initialization of Video
Conference Calls

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APPEAL BRIEF

A Summary of Argument Begins on Page 3

The fee for this Brief may be billed to Deposit Account 140 -
225, NCR Corporation.

1. REAL PARTY IN INTEREST

NCR Corporation.

2. RELATED APPEALS AND INTERFERENCES

None.

3. STATUS OF CLAIMS

Claims 1 - 14 are pending, rejected, and appealed.

4. STATUS OF AMENDMENTS

No Amendments-after-Final have been submitted.

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09/181,151
Art Unit 2643
Docket no. 7833

5. SUMMARY OF INVENTION

Under current technology, a problem arises in setting up video conferencing calls. The set-up process takes perhaps 45 seconds. (Specification, "Background of the Invention," first sentence.) During this time, the parties experience silence, and do not know whether the set-up process is proceeding normally. Thus, one or more parties may become frustrated, and may be tempted to terminate the conference because of perceived failure of the set-up process.

In one form of the invention, an audio-only conference is first established, as by an ordinary POTS telephone call among participants sitting at computers. (POTS: Plain Old Telephone service.) During that call, static pictures of the participants are displayed on the computer screens. The parties can communicate.

Then, after the set-up operation completes, the pictures disappear and a normal video conference ensues. (See blocks 150 and 160 in Figure 6.)

In another form of the invention, a POTS call is converted into a video conference call.

6. ISSUES

Whether claims 1, 3, 4, 7, and 9¹⁴_^ are obvious, based on Dagdeviren and Partridge.

Whether claims 2, 5, 6, 8, and 10 are anticipated by

09/181,151
Art Unit 2643
Docket no. 7833

Dagdeviren.

Whether claims 11 - 13 are obvious, based on Dagdeviren and Morino.

Whether claim 14 is obvious, based on Dagdeviren and Partridge.

7. GROUPING OF CLAIMS

Four groups of claims are present.

Group 1 contains claims 1, 3, 4, 7, and 9. The claims in this Group stand or fall together, with the exception of claims 1 and 3, which DO NOT STAND OR FALL TOGETHER.

Group 2 contains claims 2, 5, 6, 8, and 10. The claims in this Group stand or fall together.

Group 3 contains claims 11 - 13. The claims in this Group DO NOT STAND OR FALL TOGETHER.

Group 4 contain claim 14.

8. ARGUMENT

Summary of Argument

Claim 1

Claim 1 was rejected as obvious, based on Dagdeviren and Partridge. Claim 1 recites (1) holding an audio-only conference and (2) displaying static visual images during that conference.

No teaching for combining the references has been given which

09/181,151
Art Unit 2643
Docket no. 7833

complies with In re Dembiczak (copy attached as APPENDIX B). That case requires (1) **objective evidence**, (2) found in the prior art, which is (3) "clear and particular." Further, that decision prohibits "broad conclusory statements."

The PTO's rationale for combining the references is that adding Partridge to Dagdeviren enables the latter to perform call screening "based on the calling party's image." (Final Action, page 3.) However, that rationale is insufficient under Dembiczak. That rationale merely points to a supposed characteristic of two references, after combining them. That is not a teaching for combining the references in the first place.

Further, a combination of references is not required to attain the goal of call screening "based on the calling party's image." Partridge, by himself, allows that.

Since the stated goal is attained by Partridge alone, plainly claim 1 is being used as a check-list for locating recitations in the prior art. That is hindsight, and is prohibited by Dembiczak.

In addition, the combination of references defeats the purpose of one of them, and causes the combination to achieve nothing. That is not a valid combination under section 103.

-- Dagdeviren is based on the premise that a called party **may not** be equipped with a video phone. If not, an audio-only call proceeds. If so, the parties may decide to convert to a

09/181,151
Art Unit 2643
Docket no. 7833

video call.

-- Partridge assumes that the called party **does** have a video phone.

-- If, under the guise of Partridge, you equip Dagdeviren's called party with a video phone, then the need for Dagdeviren's system evaporates. Nothing is achieved. So you may just use Partridge's system by itself, and eliminate Dagdeviren entirely.

In addition, even if the references are combined, claim 1 recites displaying "static images," plural. Partridge displays only a single image, namely, the image of the single caller.

Claim 2

Claim 2 was rejected as anticipated by Dagdeviren. Claim 2(b) recites:

b) during the setting-up step, holding an audio conference using a POTS channel.

Dagdeviren shows (1) an audio conference using a voice sub-channel of an ISDN channel and then (2) converting that audio conference to a video conference, using the full ISDN channel, if the parties desire. (Column 4, bottom; column 5, line 59.)

But Dagdeviren's voice sub-channel of an ISDN channel is not

09/181,151
Art Unit 2643
Docket no. 7833

a "POTS channel." A simple reason is that the voice sub-channel is a **digital** channel. The POTS telephone lines leading, for example, to your house, are **analog** lines.

Further, claim 2(c) recites terminating the POTS call after the video conference begins. Dagdeviren does speak of "tearing down" the voice call. (Column 3, lines 3 - 5.) However, that voice call, again, is the (digital) voice sub-channel of an ISDN channel. It is not a POTS call.

Claims 11 - 13

These claims were rejected as obvious, based on Dagdeviren and Morino. Claim 11 depends from claim 2, and states that static images are displayed during "the setting up step" of claim 2. Morino may display "static images," but not during such a "setting up step."

One reason is that claim 2 recites that an audio conference is held using a POTS channel during the "setting up step." In Morino, the static images are displayed **prior to any conference at all**. In fact, in Morino, the static images are used to select the participants of a forthcoming video conference.

From another perspective, the combination of references serves no function.

-- Morino uses the static images to select
conference participants.

09/181,151
Art Unit 2643
Docket no. 7833

-- In Dagdeviren, the participants have already been selected when the POTS call is placed.

Given those two facts, what relevance does Morino's selection process have to Dagdeviren ? None.

In addition, the rationale for combining the references is invalid under Dembiczak. The rationale is that the combination "enhances" Dagdeviren. That is not (1) objective evidence, (2) found in the prior art, which is (3) "clear and particular." It is a purely conclusory statement, prohibited by Dembiczak.

Claims 12 and 13 recite terminating the static images, or similar. Applicant cannot locate that operation in Morino.

End of Summary of Argument

Argument

Claims 1, 3, 4, 7, and 9

Claims 1, 3, 4, 7, and 9 were rejected as obvious, based on Dagdeviren and Partridge.

General Response I to All Obviousness Rejections

Applicant points to the CAFC's decision In re Dembiczak, 175 F. 3d 994, 50 USPQ2d 1614 (Fed. Cir. 1999), copy attached as APPENDIX B. That case concerned lawn-and-leaf trash bags, colored orange, and printed with the face of a Halloween jack o'lantern.

09/181,151
Art Unit 2643
Docket no. 7833

The CAFC reversed the obviousness rejections as hindsight-based, and stated:

Our case law makes clear that the best defense against the subtle but powerful attraction of a hindsight-based obviousness analysis is **rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references....**

Dembiczak indicated the following:

[In re Rouffet] "the Board must **identify specifically** . . . the reasons one of ordinary skill in the art would have been motivated to select the references and combine them."

[In re Fritch] examiner can satisfy burden of obviousness in light of combination "only by showing some **objective teaching** [leading to the combination]."

[In re Fine] evidence of teaching or suggestion "essential" to avoid hindsight.

[Ashland Oil] district court's conclusion of obviousness was error when it "did not elucidate any **factual teachings, suggestions or incentives from this prior art** that showed the propriety of combination."

[Graham] "strict observance" of factual predicates to obviousness conclusion required. Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes

09/181,151
Art Unit 2643
Docket no. 7833

the inventor's disclosure as a
blueprint for piecing together the
prior art to defeat patentability -
-- the essence of hindsight.

. . . .

The Court in Dembiczak stated:

We have noted that evidence of a suggestion, teaching, or motivation to combine may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, from the nature of the problem to be solved.... although "the suggestion more often comes from the teachings of the pertinent references...."

THE RANGE OF SOURCES AVAILABLE, HOWEVER, DOES NOT DIMINISH THE REQUIREMENT FOR ACTUAL EVIDENCE. THAT IS, THE SHOWING MUST BE CLEAR AND PARTICULAR.... Broad conclusory statements regarding the teaching of multiple references, standing alone are not "evidence...."

In addition to demonstrating the propriety of an obviousness analysis, **PARTICULAR FACTUAL FINDINGS REGARDING THE SUGGESTION, TEACHING, OR MOTIVATION TO COMBINE** serve a number of important purposes, including:

- (1) clear explication of the position adopted by the Examiner and the Board;
- (2) identification of the factual disputes, if any, between the applicant and the Board; and
- (3) facilitation of review on appeal.

Here, however, the Board did not make particular findings regarding the locus of the

09/181,151
Art Unit 2643
Docket no. 7833

suggestion, teaching, or motivation to combine the prior art references....

Nowhere does the Board particularly identify any suggestion, teaching, or motivation to combine the children's art references (Holiday and Shapiro) with the conventional trash or lawn bag references, nor does the Board make specific - or even inferential - findings concerning the identification of the relevant art, the nature of the **PROBLEM** to be solved, or any other factual findings that might serve to support a proper obviousness analysis.

To the contrary, the obviousness analysis in the Board's decision is limited to a discussion of the ways that the multiple prior art references **CAN** be combined to read on the claimed invention. For example, the Board... concludes that the **SUBSTITUTION** of orange plastic for the crepe paper of Holiday and the paper bags of Shapiro would be an **OBVIOUS DESIGN CHOICE**...

Yet this reference-by-reference, limitation-by-limitation analysis fails to demonstrate **HOW** the Holiday and Shapiro references teach or suggest their combination with the conventional trash or lawn bags to yield the claimed invention.

See Rouffet... noting Board's failure to explain, when analyzing the prior art, "what specific understanding or technical principle... would have suggested the combination."

Because we do not discern any finding by the Board that there was a suggestion, teaching, or motivation to combine the prior art references cited against the pending claims, the Board's conclusion of obviousness, as a matter of law, cannot stand. [emphasis added]

Therefore, Applicant submits that the PTO's rejections fail to meet the Dembiczak standards.

09/181,151
Art Unit 2643
Docket no. 7833

-- No actual, objective evidence has been given in support of combining the references.

-- No teaching **within the prior art** has been given.

-- No "actual evidence" which is "clear and particular" has been given.

Rather, in every rejection, the PTO justifies the rejection by pointing to a supposed benefit resulting from the combination of references.

-- For example, in rejecting claim 1, the PTO states that the combined references enable "call screening based on the calling party's image." (Final Action, page 3.)

That is merely a characteristic of the references, **once combined**. It is not a teaching for making the combination in the first place.

-- As another example, in rejecting claim 14, the PTO asserts that the combination of references "enhances" one of them. Again, a characteristic of the combination.

These examples show that the PTO's rationales **are not**, as required by Dembiczak,

(1) based on "actual evidence,"

09/181,151
Art Unit 2643
Docket no. 7833

(2) contained within the prior art, and

(3) "clear and particular."

Applicant submits that every obviousness rejection is purely conclusory, as prohibited by Dembiczak, last full paragraph on page 5 of 7, in APPENDIX B, attached hereto.

General Response II to All Obviousness Rejections

All obviousness rejections follow the same pattern. They (1) point to a supposed characteristic of the references, after being combined, and then possibly (2) assert that such a characteristic is desirable. That is not a teaching as required by Dembiczak.

For example, the rejection to claim 1 states nothing more than, if you add Partridge to Dagdeviren, then Dagdeviren obtains something from Partridge. (Final Action, page 3.) That rationale is not a valid teaching. It is not (1) based on actual evidence, (2) found in the prior art, (3) which is clear and particular.

That rationale is circular reasoning. It states that, if you add P to D, then you obtain P in D. That is circular.

As another example, the rejections of claims 11 - 13 is based on the rationale that addition of Morino to Dagdeviren "enhances" the latter. That is not a sufficient teaching.

No Valid Teaching Given for Combining References

However, MPEP § 2145(j)(3) states:

09/181,151
Art Unit 2643
Docket no. 7833

As discussed in MPEP § 2143.01, there must be **some suggestion or motivation**, either in the references themselves, or in the knowledge generally available to one of ordinary skill in the art, to modify or combine reference teachings.

No such suggestion or motivation has been given for combining the references.

The rationale given is the following:

[It is obvious] to modify Dagdeviren's system to . . . [display] static visual images during the audio only conference as this would enable call screening based upon calling party's image as taught by Partridge.

(Office Action, page 3, second paragraph.)

However, Applicant submits that several problems exist in this rationale.

First Problem

One problem is that this rationale is of the type which is **specifically prohibited** by the MPEP. MPEP § 2143.01 states:

FACT THAT REFERENCES CAN BE COMBINED OR
MODIFIED IS NOT SUFFICIENT TO ESTABLISH PRIMA
FACIE OBVIOUSNESS

The mere fact that references can be combined or modified does not render the resultant combination obvious unless the **prior art also suggests the desirability of the combination.**
. . . .

09/181,151
Art Unit 2643
Docket no. 7833

FACT THAT THE CLAIMED INVENTION IS WITHIN THE CAPABILITIES OF ONE OF ORDINARY SKILL IN THE ART IS NOT SUFFICIENT BY ITSELF TO ESTABLISH PRIMA FACIE OBVIOUSNESS

A statement that modifications of the prior art to meet the claimed invention would have been "well within the ordinary skill of the art at the time the claimed invention was made" because the references relied upon teach that all aspects of the claimed invention were individually known in the art is not sufficient to establish a prima facie case of obviousness without some **objective reason** to combine the teachings of the references.

The rationale of the PTO, in effect, states that, if you combine Partridge's static-image screening with Dagdeviren, you obtain static-image screening in the combination. That rationale provides no "objective reason," nor does it show that the prior art suggests the desirability of the combination.

Further, the rationale says nothing more than that the references **could be** combined. But the MPEP section just cited prohibits this type of rationale.

Second Problem: Both References not needed
To Attain Call Screening

A second problem is that the goal of the rationale is to "enable call screening." However, Partridge, **by himself** attains call screening using static video images. There is no reason to add Dagdeviren.

*Ex is obliq Partridge to Dagdeviren
not the other way around
as implied by appellat.*

09/181,151
Art Unit 2643
Docket no. 7833

Stated another way, the **addition** of Dagdeviren does not produce the call screening which is sought. Thus, the goal of attaining call screening is not reached by the **combination** of references. It is reached by Partridge alone.

Therefore, the rationale proposed by the PTO does not lead to combining the references.

Further, Applicant submits that, since call screening is not obtained by the **combination** (it can be obtained by Partridge alone), the combination is clearly motivated by hindsight, based on Applicant's claims.

Third Problem: Combination Modifies Reference

A third problem is that the combination of references modifies the operation of Dagdeviren. Dagdeviren states that a **digital** voice call is placed first. Then, a video call is set up, if (1) the parties have the proper equipment, and (2) want such a call. (Dagdeviren, column 2, bottom, column 3, top.)

But, contrary to Dagdeviren, the combination of references, by virtue of Partridge, states that a video-only call (the picture of the caller) should be set up first. That is a modification of Dagdeviren.

MPEP § 2143.01, last paragraph, states:

If the proposed modification or combination of the prior art would **change the principle of**

09/181,151
Art Unit 2643
Docket no. 7833

operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims prima facie obvious.

Fourth Problem: References Contain Contrary Teachings

A fourth problem is that the combination of references modifies Dagdeviren in another way. Partridge states that the visual image of the caller is received and displayed on the called party's equipment, even **before the called party "answers" the call, as by lifting the handset.** (Column 5, last full paragraph.) That is, the image of the calling party appears on the recipient's screen, **whether recipient wants the image or not.**

Dagdeviren is clearly contrary. He states that his processing is only begun **after** a communication channel is voluntarily established between the parties. (Column 7, lines 37 - 39.) That is, the called party must "answer" the telephone first. Two-way communication is required, so that Dagdeviren's parties can ascertain that they have the proper equipment to establish a video call. Further, the parties must **elect** whether to establish the video call.

MPEP § 2145(j)(4) states:

It is improper to combine references where the references teach away from their combination.

Fifth Problem: References are Fundamentally Different

09/181,151
Art Unit 2643
Docket no. 7833

A fifth problem is that the references each implement fundamentally different approaches. In Dagdeviren, a caller initiates a digital audio call, using a video phone. Then, if the called party also has a video phone, the parties may decide to convert the digital audio call into a digital audio/video call.

Partridge, as described above, transmits a static picture even before the called party answers.

There is simply no relationship between the two references.

-- One converts an existing digital voice call into an audio-video call.

-- The other identifies the caller, so that the recipient can choose whether to answer the call.

Those are unrelated processes. The references are non-analogous.

Sixth Problem: Elaboration of Fifth Problem

A sixth problem is an elaboration of the fifth.

-- CASE 1. Assume that Partridge's recipient does not like the picture of the caller, and refuses to answer the telephone. In such a case, no audio call is established, so no conversion into an audio-video call, as in Dagdeviren, is even possible. These aspects

09/181,151
Art Unit 2643
Docket no. 7833

of the references cannot be combined: there is no call to convert.

-- CASE 2. Even if Partridge's recipient **DOES** answer the call, Dagdeviren's apparatus cannot be used. The reason ? Partridge utilizes POTS calls. (Column 1, lines 12 - 13: "standard telephone networks" are used.) Dagdeviren switches from a digital audio call to a digital audio-video call.

The references cannot be combined.

Seventh Problem: References are Contradictory

A seventh problem is that the references are contradictory. In Dagdeviren, the parties convert a digital audio call into a digital audio-video call, if they determine that they both have compatible equipment, and if they want to make the conversion. But that conversion process has no applicability to Partridge. The primary reason is that Partridge **assumes** that the recipient has a video system which can accept his picture. There is no reason to hold an audio call, to ask the recipient if he/she has the required equipment.

Stated another way, Partridge identifies a caller to a recipient through a picture, to allow the recipient to accept or reject the caller. But the video conference in Dagdeviren is only

09/181,151
Art Unit 2643
Docket no. 7833

used **after** the recipient has accepted the caller. Thus,

-- If Partridge's recipient **rejects** the caller, then Dagdeviren's system cannot be used, even if it were combined with Partridge. No call exists to convert.

-- If Partridge's recipient **accepts** the caller, an audio-video call has been automatically established. Dagdeviren's approach is then irrelevant.

The references take contradictory approaches, and cannot be combined.

Eight Problem: Combination is Impossible

An eighth problem is that it is not possible to combine the two references. How does the video phone of Dagdeviren accept a static picture without a person **FIRST** lifting the handset, that is, without the person placing the video phone "off-hook" ? It is not possible.

If Partridge's device is substituted into Dagdeviren, to allow this, then Dagdeviren is thereby rendered inoperative. He is inoperative because his basic goal is to convert a digital audio call into a video call, not to accept video calls initially. MPEP § 2143.01, section 5, states:

09/181,151
Art Unit 2643
Docket no. 7833

The proposed modification cannot render the prior art unsatisfactory for its intended purpose.

Ninth Problem: Combination Achieves Nothing

Summary: Dagdeviren is based on the premise that a called party **may not** be equipped with a video phone. Partridge assumes that the called party **does** have a video phone. If, under the guise of Partridge, you equip Dagdeviren's called party with a video phone, then the need for Dagdeviren's system evaporates. Nothing is achieved. So you may just use Partridge's system.

A ninth problem is that the combination of references actually achieves nothing, and is completely unworkable. Dagdeviren is based on the premise that the called party does not necessarily have a video phone. If the parties find out that both of them do, in fact, have video phones, then they can switch to a video conference. (Column 1, lines 35 - 64.)

But Partridge's approach cannot be used if Dagdeviren's recipient lacks a video phone.

That is, Dagdeviren can complete the digital audio call, if the recipient lacks a video phone, but the parties cannot convert that into a video call. However, Partridge cannot operate at all if the recipient lacks a video phone.

Thus, nothing useful is attained by combining the references. If you give the recipient a video phone, as Partridge requires, then the need for Dagdeviren evaporates. Dagdeviren is based on

09/181,151
Art Unit 2643
Docket no. 7833

the premise that the recipient **may not** have a video phone.

Nothing useful is obtained by the combination of references. You may as well use Partridge alone, and that fact defeats the combination.

The combination of references is made by a person skilled-in-the-art, seeking to obtain something useful. If nothing useful is attained, no combination is made.

Therefore, for at least the preceding reasons, Applicant submits that the combination of references is faulty.

Even if References are Combined, (1) Claims not Obtained or
(2) Contrary Teachings are Combined

Claim 1 recites:

1. A method of establishing an audio-video conference, comprising the following steps:

- a) holding an audio-only conference;
- b) displaying static visual images during the audio-only conference; and
- c) holding an audio conference accompanied by a live video conference.

CLAIM NOT ATTAINED

Claim 1 recites a **single** conference. Claim 1(b) recites displaying "static video images," which is **plural**. (Two or more parties are involved, so plural images are displayed, one for each

09/181,151
Art Unit 2643
Docket no. 7833

person.)

Partridge does not show multiple static images, in connection with a single conference. He only shows the picture of the **single** caller.

MPEP 2143.03 states:

To establish prima facie obviousness . . . **all the claim limitations** must be taught or suggested by the prior art.

The multiple static images are not found in Partridge. Even if the references are combined, claim 1 is not attained.

CONTRARY TEACHINGS

Partridge states that a sequence of static images is transmitted to the recipient, after the recipient answers the call. (Column 6, lines 11 - 13.) Applicant points out that, even if this is considered "video," which Applicant does not admit, this is **one-way imaging**. The recipient can see the caller, but the caller cannot see the recipient.

Therefore, this teaching is contrary to that of Dagdeviren, who allows the parties to elect to establish a two-way video conference.

Restated, where is the teaching to overcome Partridge's maintenance of a one-way image stream, and replace it with Dagdeviren's two-way video ?

09/181,151
Art Unit 2643
Docket no. 7833

As the MPEP section cited above states, contrary references cannot be combined.

Additional Point

Even if the references are combined, they require a specific mode of operation of Dagdeviren. As explained above, Dagdeviren does not necessarily culminate in a two-way audio-video conference. It only occurs if (1) both parties have the correct equipment and (2) they elect the conference.

Thus, even if the references are combined, claim 1(c) (the video conference) is not necessarily found. It is only found if Dagdeviren operates in a certain way.

No teaching has been shown for operating Dagdeviren in this way, and then combining that mode of operation with Partridge.

The preceding applies to the other claims in this group.

Claims 2, 5, 6, 8, and 10

Claim 2, and its dependant claims 5, 6, 8, and 10, were rejected on grounds of anticipation, based on Dagdeviren. Claim 2 recites:

2. A method of establishing an audio-video conference, comprising the following steps:

a) setting up an audio-video conference on a high-bandwidth communication channel;

09/181,151
Art Unit 2643
Docket no. 7833

b) during the setting-up step, holding an audio conference using a POTS channel; and

c) after setting up completes

i) holding the audio-video conference on the high-bandwidth channel; and

ii) terminating the audio conference on the POTS channel.

Applicant points out that claim 2(b) recites "holding an audio conference using a POTS channel" "during the setting-up step" of 2(a). The only POTS lines shown in Dagdeviren are lines 102, 106, 122, and 126 in his Figure 1. However, Applicant cannot locate (1) a discussion of those lines, nor (2) a discussion stating that an audio conference is held using those lines during any setting-up step.

Applicant previously requested, under 37 CFR §§ 1.104(b) and 1.106(b) and 35 U.S.C. § 132, that the PTO specifically identify claim 2(b) in Dagdeviren, together with the "setting-up" step of 2(a). In response, the Final Office Action, page 6, apparently asserts that Dagdeviren's elements 111, 116, and 118 in his Figure 1 show the recitation in question.

However, Dagdeviren's elements are "voice grade trunks" which carry voice traffic. (Column 4, lines 54 - 57.) Those do not show the recitation in question, which is this:

09/181,151
Art Unit 2643
Docket no. 7833

b) during the setting-up step, holding an audio conference using a POTS channel.

Therefore, claim 2(b) has not been shown in the reference. The anticipation rejection cannot stand.

In addition, it appears that the PTO is relying on "voice grade calls" mentioned by Dagdeviren, such as in column 4, line 54, and column 5, top, and line 55. However, those calls **are not POTS calls**. They are voice calls, but carried by the B-channel of an ISDN line. (Column 5, lines 53 - 59.) They are **digital voice calls**. Those calls may carry voice information, but the signals carrying the voice information are **digital**. (Column 5, bottom.)

To explain this further, Applicant points out that Dagdeviren's Figure 2 shows one of his ISDN video phones. (Column 5, line 53.) The only voice information reaching B CHANNEL 1 or B CHANNEL 2 must pass through PCM CODEC 202 or AUDIO CODEC 207. But a "codec" is a device which converts analog signals into digital signals, and vice-versa. (The undersigned attorney believes that the term "codec" is an acronym for "code/decode.") Thus, the B CHANNELs carry digital signals, into which voice information has been inserted.

Restated, EARPHONE 205 in Dagdeviren's Figure 2 receives analog signals. (Column 5, line 68 - column 6, line 2. "EARPHONE" refers to the small speaker in the handset of his videophones. The lead-line of call-out 127 in his Figure 2 touches a handset.)

09/181,151
Art Unit 2643
Docket no. 7833

EARPHONE 205 receives them from PCM CODEC 202, which receives digital signals from line 201, namely B CHANNEL 1. (Column 5, bottom.) A similar point applies to MOUTHPIECE 208.

Therefore, Applicant submits that (1) Dagdeviren does not discuss a POTS call as in claim 2(b), nor (2) holding a POTS call during any set-up step.

Dagdeviren shows a voice-grade call, but carried by **digital signals**, on ISDN channels. He specifically states that he uses "an ISDN audio . . . call . . . carried over a . . . **digital loop**." (Column 2, lines 62 - 66.)

Applicant points out that it is axiomatic that, for anticipation to occur, the anticipating reference must infringe the claim in question. Dagdeviren does not infringe claim 2.

This applies to the dependent claims of claim 2.

Claims 11 - 13

Claims 11 - 13 were rejected as obvious, based on Dagdeviren and Morino. Claim 14 was rejected based on Dagdeviren and Partridge.

Claim 11

Claim 11 recites:

11. Method according to claim 2, and further comprising:

09/181,151
Art Unit 2643
Docket no. 7833

d) during the setting-up step, displaying static pictures of the conference participants on equipment later used to hold the audio-video conference.

Applicant points out that parent claim 2(b) recites

b) during the setting-up step, holding an audio conference using a POTS channel.

Thus, the "static pictures" of claim 11 are displayed while an "audio conference using a POTS channel" is held.

Morino is **directly contrary** to that operation. Morino displays the static pictures to allow the user to select which persons are to participate in the conference. But, at that time, no conference at all is being held, contrary to claim 2.

Further, there is no reason to combine Morino's operation with Dagdeviren. If the audio conference of claim 2(b) is found in Dagdeviren (which is not the case, as explained above), then there is no reason for Morino's selection procedure. The conference participants have already been selected. Thus, nothing is accomplished by combining Morino with Dagdeviren.

Since nothing is accomplished, it is clear that Applicant's own claims are being used as a "check list" for locating elements in the prior art. That is hindsight, and is not allowed.

09/181,151
Art Unit 2643
Docket no. 7833

Claim 12

Claim 12 recites terminating the static pictures. Applicant cannot locate that in Morino, and the PTO has not identified it. MPEP 2143.03 states:

To establish prima facie obviousness . . . **all the claim limitations** must be taught or suggested by the prior art.

Claim 13

Claim 13 recites:

13. Method according to claim 11, and further comprising:

e) replacing each static picture by a live video image of the participant previously depicted in the static picture.

The PTO has not identified this recitation in Morino.

Claim 14

Claim 14 was rejected as obvious, based on Dagdeviren and Partridge. Claim 14 recites:

14. Method according to claim 1, wherein the static video images each depict a different person.

The rationale for combining the references is that

09/181,151
Art Unit 2643
Docket no. 7833

"enhancement" of Dagdeviren's system is obtained. However, no teaching in the prior art has been given in favor of this "enhancement."

Further, the combination acts as a modification of Dagdeviren. MPEP § 2143.01, last paragraph, states:

If the proposed modification or combination of the prior art would **change the principle of operation of the prior art invention being modified**, then the teachings of the references are not sufficient to render the claims prima facie obvious.

For example, Dagdeviren shows a system for converting an audio-only call into a video conference, if desired. Partridge shows a system for transmitting a still picture in connection with an audio-only call. Adding Partridge to Dagdeviren changes the mode of operation of the former.

GROUPING OF CLAIMS

In Group 3, claims 11 - 13 were argued separately above.

As to Group 1, claim 1 is a method claim and claim 3 is an apparatus claim. The "Grouping of Claims Rule" requires Applicant to show that these claims are "separately patentable." It is well known that method claims and apparatus claims are such, as indicated by the PTO's own restriction practice.

Further, claim 3 recites a computer-readable storage medium

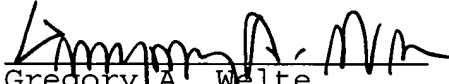
09/181,151
Art Unit 2643
Docket no. 7833

and software means configured therein which performs several functions. The applied references do not show the overall recitations of this claim, including these recitations, nor does claim 1 contain these recitations. Thus, claims 1 and 3 are "separately patentable."

CONCLUSION

Applicant requests that the Board reverse the rejections of all claims, and pass all claims to issue.

Respectfully submitted,


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ATTACHMENTS:

APPENDIX A: Appealed claims
APPENDIX B: Dembiczak decision

09/181,151
Art Unit 2643
Docket no. 7833

APPENDIX A

Appealed claims

1. A method of establishing an audio-video conference, comprising the following steps:

- a) holding an audio-only conference;
- b) displaying static visual images during the audio-only conference; and
- c) holding an audio conference accompanied by a live video conference.

2. A method of establishing an audio-video conference, comprising the following steps:

- a) setting up an audio-video conference on a high-bandwidth communication channel;
- b) during the setting-up step, holding an audio conference using a POTS channel; and
- c) after setting up completes
 - i) holding the audio-video conference on the high-bandwidth channel; and
 - ii) terminating the audio conference on the POTS channel.

3. An apparatus, comprising:

09/181,151
Art Unit 2643
Docket no. 7833

- a) a computer-readable storage medium;
- b) software means, physically configured in the storage medium, for:

- i) receiving image data from a remote location and displaying a static image, based on the data;
- ii) holding an initial audio conference with a remote communication device during display of the static image;
- iii) holding a sequel to the audio conference with said remote device; and
- iv) holding a video conference with said remote device during the sequel.

4. Apparatus according to claim 3, wherein the initial audio conference is held using POTS lines, and the sequel is held using a high-bandwidth channel.

5. Method according to claim 2, wherein the parties who participate in the audio-video conference are the same parties who participate in the audio conference.

6. Method according to claim 2, wherein the audio conference is held using telephones, and, prior to the audio conference, a

09/181,151
Art Unit 2643
Docket no. 7833

telephone company issued ring signals to at least some of the telephones.

7. Method according to claim 1, wherein the live video conference utilizes a communication channel, and the audio-only conference utilizes a sub-channel of said communication channel.

8. Method according to claim 2, wherein the audio-video conference utilizes a communication channel, and the audio conference utilizes a sub-channel of said communication channel.

9. Method according to claim 1, wherein the live video conference utilizes a relatively high-bandwidth communication channel, and the audio-only conference utilizes a POTS channel, of relatively lower bandwidth.

10. Method according to claim 2, wherein the audio-video conference utilizes a relatively high bandwidth communication channel, and the audio conference utilizes a relatively low bandwidth POTS channel.

11. Method according to claim 2, and further comprising:
d) during the setting-up step, displaying static pictures of the conference participants on equipment

09/181,151
Art Unit 2643
Docket no. 7833

later used to hold the audio-video conference.

12. Method according to claim 11, and further comprising:

e) terminating display of the static pictures after the setting-up completes.

13. Method according to claim 11, and further comprising:

e) replacing each static picture by a live video image of the participant previously depicted in the static picture.

14. Method according to claim 1, wherein the static video images each depict a different person.

OPINION:

SHEPARD'S

175 F.3d 994, *: 1999 U.S. App. LEXIS 8109, **;



IN RE ANITA DEMBICZAK and BENSON ZINBARG, Appellants.

98-1498

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

175 F.3d 994; 1999 U.S. App. LEXIS 8109; 50 U.S.P.Q.2D (BNA) 1614

April 28, 1999, Decided

PRIOR HISTORY: [**1] Appealed from: Patent and Trademark Office Board of Patent Appeals and Interferences. (Serial No. 08/427,732).

DISPOSITION: REVERSED.

CASE SUMMARY

PROCEDURAL POSTURE: Appellants, patent applicants, challenged a decision of the Patent and Trademark Office Board of Patent Appeals and Interferences that rejected all pending claims and double patenting in their application.

OVERVIEW: The patent appeals board (board) sustained and rejected all pending claims to appellants' claims in their patent application for a large trash bag made of orange plastic that when filled with trash or leaves would resemble a Halloween-style pumpkin, or jack-o'-lantern. Appellants challenged the board decision in the federal courts contending error in rejection of their pending claims and for obviousness-type double patenting. The court found no evidence in the record of a suggestion, teaching, or motivation to combine the prior art references asserted against the pending claims and reversed obviousness rejections. Concluding that there was no prima facie case against appellants, the court reversed the board's sustainment of their pending claims. The court further found, after de novo review, that the board had misapprehended the test for obviousness-type double patenting. Because the pending utility claims did not render obvious the design patents, the double patenting rejections were also improperly denied. The court reversed as to the double patenting rejections. The board decisions against appellant patent applicants were reversed.

OUTCOME: The court reversed the patent appeals board decision and double patenting rejections against the appellants, patent applicants, because the board erred in sustaining rejections of the pending claims as obvious and misapprehended the test for obviousness-type double patenting.

CORE TERMS: bag, patent, trash, invention, obviousness, patenting, teaching, double, facial, combine, indicia, orange,

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APPENDIX B

pumpkin, motivation, skill, conventional, obviousness-type, examiner, plastic, leaf, filling, color, outer, subject matter, two-way, lantern, variation, hindsight, inventor, surface

CORE CONCEPTS - ♦ Hide Concepts

Patent Law : Nonobviousness : Tests & Proof of Obviousness

↓ A claimed invention is unpatentable if the differences between it and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art. 35 U.S.C.S. § 103(a).

Patent Law : Nonobviousness : Tests & Proof of Obviousness

↓ The ultimate determination of whether an invention is or is not obvious is a legal conclusion based on underlying factual inquiries including: (1) the scope and content of the prior art; (2) the level of ordinary skill in the prior art; (3) the differences between the claimed invention and the prior art; and (4) objective evidence of nonobviousness.

Patent Law : Jurisdiction & Review : Standards of Review

↓ A reviewing court will review the ultimate determination of obviousness without deference to the patent appeals board, while examining any factual findings for clear error.

Patent Law : Nonobviousness : Tests & Proof of Obviousness

↓ Measuring a claimed invention against the standard established by 35 U.S.C.S. § 103 requires the oft-difficult but critical step of casting the mind back to the time of invention, to consider the thinking of one of ordinary skill in the art, guided only by the prior art references and the then-accepted wisdom in the field. Close adherence to this methodology is especially important in the case of less technologically complex inventions.

Patent Law : Nonobviousness : Tests & Proof of Obviousness

↓ The best defense against the subtle but powerful attraction of a hindsight-based obviousness analysis is rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references.

Patent Law : Nonobviousness : Tests & Proof of Obviousness

↓ Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor's disclosure as a blueprint for piecing together the prior art to defeat patentability, the essence of hindsight.

Patent Law : Nonobviousness : Tests & Proof of Obviousness

↓ Evidence of a suggestion, teaching, or motivation to combine may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, from the nature of the problem to be solved, although the suggestion more often comes from the teachings of the pertinent references.

Patent Law : Nonobviousness : Tests & Proof of Obviousness

Patent Law : Jurisdiction & Review : Standards of Review

↓ The range of sources available does not diminish the requirement for actual evidence. That is, the showing must be clear and particular.

Patent Law : Nonobviousness : Tests & Proof of Obviousness

↓ Broad conclusory statements regarding the teaching of multiple references, standing alone, are not evidence. In addition to demonstrating the propriety of an obviousness analysis, particular factual findings regarding the suggestion, teaching, or motivation to combine serve a number of important purposes, including: (1) clear explication of the position adopted by the Examiner and the Board; (2) identification of the factual disputes, if any, between the applicant and the Board; and (3) facilitation of review on appeal.

Patent Law : Nonobviousness : Tests & Proof of Obviousness

↓ Where the patent appeals board does not establish a prima facie case of obviousness, a reviewing court can reverse the obviousness rejections, and has no need to address the parties' arguments with respect to secondary factors.

Patent Law : Nonobviousness : Double Patenting & Terminal Disclaimers

APPENDIX B

↓ Obviousness-type double patenting is a judicially-created doctrine that seeks to prevent the applicant from expanding the grant of the patent right beyond the limits prescribed in Title 35. The doctrine prohibits claims in a second patent which define "merely an obvious variation" of an invention claimed by the same inventor in an earlier patent. Thus, unless a claim sought in the later patent is patentably distinct from the claims in an earlier patent, the claim must be rejected.

Patent Law : Nonobviousness : Double Patenting & Terminal Disclaimers

↓ The question of double patenting is one of law, which is to be reviewed de novo.

Patent Law : Nonobviousness : Double Patenting & Terminal Disclaimers

↓ The law provides that, in some very rare cases, obvious-type double patenting may be found between design and utility patents. Under this two-way test, the obviousness-type double patenting rejection is appropriate only if the claims of the two patents cross-read, meaning that the test is whether the subject matter of the claims of the patent sought to be invalidated would have been obvious from the subject matter of the claims of the other patent, and vice versa.

Patent Law : Nonobviousness : Tests & Proof of Obviousness

↓ In order for a design to be unpatentable because of obviousness, there must first be a basic design reference in the prior art, the design characteristics of which are "basically the same as the claimed design."

COUNSEL: David P. Gordon, of Stamford, Connecticut, argued for appellant. Of counsel was Thomas A. Gallagher, of Stamford, Connecticut.

John M. Whealan, Associate Solicitor, Office of the Solicitor, of Arlington, Virginia, argued for appellee. With him on the brief were Albin F. Drost, Acting Solicitor, and David R. Nicholson, Associate Solicitor.

JUDGES: Before MAYER, Chief Judge, MICHEL and CLEVENGER, Circuit Judges.

OPINIONBY: CLEVENGER

OPINION:

[*996] CLEVENGER, Circuit Judge.

Anita Dembiczak and Benson Zinbarg appeal the rejection, upheld by the Board of Patent Appeals and Interferences, of all pending claims in their Application No. 08/427,732. See *Ex Parte Dembiczak*, No. 96-2648, slip op. at 43 (May 14, 1998). Because the Board erred in sustaining rejections of the pending claims as obvious under 35 U.S.C. § 103(a) (Supp. 1998), and for obviousness-type double patenting, we reverse.

I

The invention at issue in this case is, generally speaking, a large trash bag made of orange plastic and decorated with lines and facial features, allowing the bag, when filled [*2] with trash or leaves, to resemble a Halloween-style pumpkin, or jack-o'-lantern. As the inventors, Anita Dembiczak and Benson Zinbarg (collectively, "Dembiczak") note, the invention solves the long-standing problem of unsightly trash bags placed on the curbs of America, and, by fortuitous happenstance, allows users to express their whimsical or festive nature while properly storing garbage, leaves, or other household debris awaiting collection. Embodiments of the invention--sold under a variety of names, including Giant Stuff-A-Pumpkin TM, Funkins, Jack Sak TM, and Bag-O-Fun TM--have undisputedly been well-received by consumers, who bought more than seven million units in 1990 alone. Indeed, in 1990, the popularity of the pumpkin bags engendered a rash of thefts around Houston, Texas, leading some owners to resort to preventative measures, such as greasing the bags with petroleum jelly and tying them to trees. See R. Piller, "Halloween Hopes Die on the Vine," *Hous. Chron.*, Oct. 19, 1990, at 13A.

The road to profits has proved much easier than the path to patentability, however. In July 1989, Dembiczak filed a utility patent application generally directed to the pumpkin bags. [*3] In a February 1992 appeal, the Board of Patent Appeals and Interferences ("the Board") reversed the Examiner's rejection, but entered new grounds for rejection. Dembiczak elected to continue prosecution, filing a continuation application to address the new grounds for rejection. Thereafter, the invention made a second appearance before the Board, in April 1993, when the Board both sustained the Examiner's rejection and again entered new grounds for rejection. Again, a continuation application was filed (the instant application). And again the Examiner's rejection was appealed to the Board, which sustained the rejection in a May 14, 1998, decision. See *Dembiczak*, slip op. at 43.

A

The patent application at issue includes claims directed to various embodiments of [*997] the pumpkin bag. Claims 37, 49, 51, 52, 58 through 64, 66 through 69, and 72 through 81 are at issue in this appeal. Though the claims vary, independent claim 74 is perhaps most representative:

APPENDIX B

74. A decorative bag for use by a user with trash filling material, the bag simulating the general outer appearance of an outer surface of a pumpkin having facial indicia thereon, comprising:

a flexible waterproof plastic [**4] trash or leaf bag having

an outer surface which is premanufactured orange in color for the user to simulate the general appearance of the outer skin of a pumpkin, and having

facial indicia including at least two of an eye, a nose and a mouth on the orange color outer surface for forming a face pattern on said orange color outer surface to simulate the general outer appearance of a decorative pumpkin with a face thereon,

said trash or leaf bag having first and second opposite ends, at least said second end having an opening extending substantially across the full width of said trash or leaf bag for receiving the trash filling material,

wherein when said trash or leaf bag is filled with trash filling material and closed, said trash or leaf bag takes the form and general appearance of a pumpkin with a face thereon.

All of the independent claims on appeal, namely 37, 52, 72, and 74, contain limitations that the bag must be "premanufactured orange in color," have "facial indicia," have openings suitable for filling with trash material, and that when filled, the bag must have a generally rounded appearance, like a pumpkin. Independent claims 37, 52, and 72 add the [**5] limitation that the bag's height must at least 36 inches. Claim 72 requires that the bag be made of a "weatherproof material," and claim 74, as shown above, requires that the bag be "waterproof." Claim 52 recites a "method of assembling" a bag with the general characteristics of apparatus claim 37.

B

The prior art cited by the Board includes:

(1) pages 24-25 of a book entitled "A Handbook for Teachers of Elementary Art," by Holiday Art Activities ("Holiday"), describing how to teach children to make a "Crepe Paper Jack-O-Lantern" out of a strip of orange crepe paper, construction paper cut-outs in the shape of facial features, and "wadded newspapers" as filling;

(2) page 73 of a book entitled "The Everything Book for Teachers of Young Children," by Martha Shapiro and Valerie Idenbaum ("Shapiro"), describing a method of making a "paper bag pumpkin" by stuffing a bag with newspapers, painting it orange, and then painting on facial features with black paint;

(3) U.S. Patent No. 3,349,991 to Leonard Kessler, entitled "Flexible Container" ("Kessler"), describing a bag apparatus wherein the bag closure is accomplished by the use of folds or gussets in the bag material;

(4) [**6] U.S. Patent No. Des. 310,023, issued August 21, 1990 to Dembiczak ("Dembiczak '023"), a design patent depicting a bag with a jack-o'-lantern face;

(5) U.S. Patent No. Des. 317,254, issued June 4, 1991 to Dembiczak ("Dembiczak '254"), a design patent depicting a bag with a jack-o'-lantern face; and,

(6) Prior art "conventional" plastic lawn or trash bags ("the conventional trash bags").

Using this art, the Board affirmed the Examiner's final rejection of all the independent claims (37, 52, 72, 74) under 35 U.S.C. § 103, [**98] holding that they would have been obvious in light of the conventional trash bags in view of the Holiday and Shapiro references. The Board determined that, in its view of the prior art, "the only difference between the invention presently defined in the independent claims on appeal and the orange plastic trash bags of the prior art and the use of such bags resides in the application of the facial indicia to the outer surface of the bag." Dembiczak, slip op. at 18. The Board further held that the missing facial indicia elements were provided by the Holiday and Shapiro references' description of painting jack-o'-lantern faces on paper bags. See [**7] id. at 18-19. Dependent claims 49 and 79, which include a "gussets" limitation, were considered obvious under similar reasoning, except that the references cited against them included Kessler. See id. at 7.

The Board also affirmed the Examiner's obviousness-type double patenting rejection of all the independent claims in light of the two Dembiczak design patents ('023 and '254) and Holiday. See id. at 12. The Board held that the design patents depict a generally rounded bag with jack-o'-lantern facial indicia, and that the Holiday reference supplies the missing limitations, such as the "thin, flexible material" of manufacture, the orange color, the initially-open upper end, and the trash filling material. The Board also stated that the various limitations of the dependent claims--e.g., color, the inclusion of leaves as stuffing, and the dimensions--would all be obvious variations of the depictions in the Dembiczak design patents. See id. at 8-9. In addition, using a two-way test for obviousness-type double patenting, the Board held that the claims of the Dembiczak design patents "do not exclude" the additional structural limitations of the pending utility claims, [**8] and thus the design patents were merely obvious variations of the subject matter disclosed in the utility claims. See id. at 11. The Board further upheld, on similar grounds and with the inclusion of the Kessler reference, the obviousness-type double patenting rejection of dependent claim 49. See id. at 12.

This appeal followed, vesting this court with jurisdiction pursuant to 28 U.S.C. § 1295(a)(4)(A) (1994).

APPENDIX B

II

↑ A claimed invention is unpatentable if the differences between it and the prior art "are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art." 35 U.S.C. § 103(a) (Supp. 1998); see *Graham v. John Deere Co.*, 383 U.S. 1, 14, 148 U.S.P.Q. (BNA) 459, 465, 15 L. Ed. 2d 545,

86 S. Ct. 684 (1966). ↑ The ultimate determination of whether an invention is or is not obvious is a legal conclusion based on underlying factual inquiries including: (1) the scope and content of the prior art; (2) the level of ordinary skill in the prior art; (3) the differences between the claimed invention and the prior art; and (4) objective evidence of nonobviousness.

See *Graham*, 383 U.S. at 17-18, 148 U.S.P.Q. (BNA) [**9] at 467; *Miles Labs, Inc., Inc. v. Shandon Inc.*, 997 F.2d 870,

877, 27 U.S.P.Q.2D (BNA) 1123, 1128 (Fed. Cir. 1993). ↑ We therefore review the ultimate determination of obviousness without deference to the Board, while examining any factual findings for clear error. See, e.g., *In re Zurko*, 142 F.3d 1447, 1459, 46 U.S.P.Q.2D (BNA) 1691, 1700 (Fed. Cir.) (en banc), cert. granted, 119 S. Ct. 401 (1998).

A

Our analysis begins in the text of section 103 quoted above, with the phrase "at the time the invention was made." For it is this phrase that guards against entry into the "tempting but forbidden zone of hindsight," see *Loctite Corp. v. Ultraseal Ltd.*, 781 F.2d 861, 873, 228 U.S.P.Q. (BNA) 90, 98 (Fed. Cir. 1985), overruled on other grounds by *Nobelpharma AB v. Implant Innovations, Inc.*, 141 F.3d 1059, 46 U.S.P.Q.2D (BNA) 1097 [**99] (Fed. Cir. 1998), when analyzing the

patentability of claims pursuant to that section. ↑ Measuring a claimed invention against the standard established by section 103 requires the oft-difficult but critical step of casting the mind back to the time of invention, to consider the thinking of one of ordinary skill in the art, guided only by the prior art references and the then-accepted [**10] wisdom in the field. See, e.g., *W.L. Gore & Assoc., Inc. v. Garlock, Inc.*, 721 F.2d 1540, 1553, 220 U.S.P.Q. (BNA) 303, 313 (Fed. Cir. 1983). Close adherence to this methodology is especially important in the case of less technologically complex inventions, where the very ease with which the invention can be understood may prompt one "to fall victim to the insidious effect of a hindsight syndrome wherein that which only the inventor taught is used against its teacher." *Id.*

Our case law makes clear that ↑ the best defense against the subtle but powerful attraction of a hindsight-based obviousness analysis is rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references. See, e.g., *C.R. Bard, Inc. v. M3 Sys., Inc.*, 157 F.3d 1340, 1352, 48 U.S.P.Q.2D (BNA) 1225, 1232 (Fed. Cir. 1998) (describing "teaching or suggestion or motivation [to combine]" as an "essential evidentiary component of an obviousness holding"); *In re Rouffet*, 149 F.3d 1350, 1359, 47 U.S.P.Q.2D (BNA) 1453, 1459 (Fed. Cir. 1998) ("the Board must identify specifically . . . the reasons one of ordinary skill in the art would have been motivated to select [**11] the references and combine them"); *In re Fritch*, 972 F.2d 1260, 1265, 23 U.S.P.Q.2D (BNA) 1780, 1783 (Fed. Cir. 1992) (examiner can satisfy burden of obviousness in light of combination "only by showing some objective teaching [leading to the combination]"); *In re Fine*, 837 F.2d 1071, 1075, 5 U.S.P.Q.2D (BNA) 1596, 1600 (Fed. Cir. 1988) (evidence of teaching or suggestion "essential" to avoid hindsight); *Ashland Oil, Inc. v. Delta Resins & Refractories, Inc.*, 776 F.2d 281, 297, 227 U.S.P.Q. (BNA) 657, 667 (Fed. Cir. 1985) (district court's conclusion of obviousness was error when it "did not elucidate any factual teachings, suggestions or incentives from this prior art that showed the propriety of combination"). See also *Graham*, 383 U.S. at 18, 148 U.S.P.Q. (BNA) at 467 ("strict observance" of factual predicates to obviousness

conclusion required). ↑ Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor's disclosure as a blueprint for piecing together the prior art to defeat patentability--the essence of hindsight. See, e.g., *Interconnect Planning Corp. v. Feil*, 774 F.2d 1132, 1138, 227 U.S.P.Q. (BNA) 543, 547 (Fed. Cir. 1985) ("The invention [**12] must be viewed not with the blueprint drawn by the inventor, but in the state of the art that existed at the time."). In this case, the Board fell into the hindsight trap.

We have noted that ↑ evidence of a suggestion, teaching, or motivation to combine may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, from the nature of the problem to be solved, see *Pro-Mold & Tool Co. v. Great Lakes Plastics, Inc.*, 75 F.3d 1568, 1573, 37 U.S.P.Q.2D (BNA) 1626, 1630 (Fed. Cir. 1996), *Para-Ordnance Mfg. v. SGS Imports Intern., Inc.*, 73 F.3d 1085, 1088, 37 U.S.P.Q.2D (BNA) 1237, 1240 (Fed. Cir. 1995), although "the suggestion more often comes from the teachings of the pertinent references," *Rouffet*, 149

F.3d at 1355, 47 U.S.P.Q.2D (BNA) at 1456. ↑ The range of sources available, however, does not diminish the requirement for actual evidence. That is, the showing must be clear and particular. See, e.g., *C.R. Bard*, 157 F.3d 1340 at

1352, 48 U.S.P.Q.2D (BNA) at 1232. ↑ Broad conclusory statements regarding the teaching of multiple references, standing alone, are not "evidence." E.g., *McElmurry v. Arkansas Power & Light Co.*, 995 F.2d 1576, 1578, 27 U.S.P.Q.2D (BNA) [**13] 1129, 1131 (Fed. Cir. 1993) ("Mere denials and conclusory statements, however, are not sufficient to establish a genuine issue of [*1000] material fact."); *In re Siebert*, 566 F.2d 1154, 1164, 196 U.S.P.Q. (BNA) 209, 217 (CCPA 1977) ("The examiner's conclusory statement that the specification does not teach the best mode of using the invention is unaccompanied by evidence or reasoning and is entirely inadequate to support the rejection."). In addition to demonstrating the propriety of an obviousness analysis, particular factual findings regarding the suggestion, teaching, or motivation to combine serve a number of important purposes, including: (1) clear explication of the position adopted by the Examiner and the Board; (2) identification of the factual disputes, if any, between the applicant and the Board; and (3) facilitation of review on appeal. Here, however, the Board did not make particular findings regarding the locus of the suggestion, teaching, or motivation to combine the prior art references.

All the obviousness rejections affirmed by the Board resulted from a combination of prior art references, e.g., the

APPENDIX B

conventional trash or yard bags, and the Holiday and Shapiro publications teaching ^[**14] the construction of decorated paper bags. See Dembiczak, slip op. at 6-7. To justify this combination, the Board simply stated that "the Holiday and Shapiro references would have suggested the application of . . . facial indicia to the prior art plastic trash bags." Id. at 18-19. However, rather than pointing to specific information in Holiday or Shapiro that suggest the combination with the conventional bags, the Board instead described in detail the similarities between the Holiday and Shapiro references and the claimed invention, noting that one reference or the other--in combination with each other and the conventional trash bags--described all of the limitations of the pending claims. See id. at 18-28. Nowhere does the Board particularly identify any suggestion, teaching, or motivation to combine the children's art references (Holiday and Shapiro) with the conventional trash or lawn bag references, nor does the Board make specific--or even inferential--findings concerning the identification of the relevant art, the level of ordinary skill in the art, the nature of the problem to be solved, or any other factual findings that might serve to support a proper obviousness ^[**15] analysis. See, e.g., *Pro-Mold & Tool*, 75 F.3d at 1573, 37 U.S.P.Q.2D (BNA) at 1630.

To the contrary, the obviousness analysis in the Board's decision is limited to a discussion of the ways that the multiple prior art references can be combined to read on the claimed invention. For example, the Board finds that the Holiday bag reference depicts a "premanufactured orange" bag material, see Dembiczak, slip op. at 21, finds that Shapiro teaches the use of paper bags in various sizes, including "large", see id. at 22-23, and concludes that the substitution of orange plastic for the crepe paper of Holiday and the paper bags of Shapiro would be an obvious design choice, see id. at 24. Yet this reference-by-reference, limitation-by-limitation analysis fails to demonstrate how the Holiday and Shapiro references teach or suggest their combination with the conventional trash or lawn bags to yield the claimed invention. See Rouffet, 149 F.3d at 1357, 47 U.S.P.Q.2D (BNA) at 1459 (noting Board's failure to explain, when analyzing the prior art, "what specific understanding or technical principle . . . would have suggested the combination"). Because we do not discern any finding by ^[**16] the Board that there was a suggestion, teaching, or motivation to combine the prior art references cited against the pending claims, the Board's conclusion of obviousness, as a matter of law, cannot stand. See *C.R. Bard*, 157 F.3d at 1352, 48 U.S.P.Q.2D (BNA) at 1232; *Rouffet*, 149 F.3d at 1359, 47 U.S.P.Q.2D (BNA) at 1459; *Fritch*, 972 F.2d at 1265, 23 U.S.P.Q.2D (BNA) at 1783; *Fine*, 837 F.2d at 1075, 5 U.S.P.Q.2D (BNA) at 1600; *Ashland Oil*, 776 F.2d at 297, 227 U.S.P.Q. (BNA) at 667.

B

The Commissioner of Patents and Trademarks ("Commissioner") attempts to justify the Board's decision on grounds ^[*1001] different from that relied upon by the Board, arguing that one of ordinary skill in the art would have been motivated to combine the references. Of course, in order to do so, the Commissioner must do what the Board did not do below: make specific findings of fact regarding the level of skill in the art ("a designer and manufacturer of trash and leaf bags, particularly one specializing in the ornamental and graphic design of such bags"), Resp't Br. at 14, the relationship between the fields of conventional trash bags and children's crafts, respectively ("the artisan would also have been well aware of the ancillary, ^[**17] corollary, and atypical uses of 'trash' bags such as their application in hobby and art projects"), Resp't Br. at 15, and the particular features of the prior art references that would motivate one of ordinary skill in a particular art to select elements disclosed in references from a wholly different field ("a designer and manufacturer of trash and leaf bags would have recognized the paper bag in Shapiro to be a trash bag and therefore would have been motivated to combine it with the admitted prior art plastic trash and leaf bags to arrive at the claimed invention"), Resp't Br. at 15. The Commissioner also appears to cite additional references in support of his obviousness analysis, noting that at least two design patents (in the record but not cited against the presently pending claims) teach the placement of "graphical information, including text, designs, and even facial indicia, to colored bags." Resp't Br. at 16. This new analysis, apparently cut from whole cloth in view of appeal, does little more than highlight the shortcomings of the decision below, and we decline to consider it. See, e.g., *In re Robertson*, 1999 U.S. App. LEXIS 3224, 169 F.3d 743, 746, ^[**18] 49 U.S.P.Q.2D (BNA) 1949, 1951 (Fed. Cir. 1999) ("We decline to consider [the Commissioner's] newly-minted theory as an alternative ground for upholding the agency's decision."); *In re Soni*, 54 F.3d 746, 751, 34 U.S.P.Q.2D (BNA) 1684, 1688 (Fed. Cir. 1995); *In re Hounsfeld*, 699 F.2d 1320, 1324, 216 U.S.P.Q. (BNA) 1045, 1049 (Fed. Cir. 1983) (rejecting an "attempt[] by the Commissioner 'to apply a new rationale to support the rejection.'"); see also 35 U.S.C. § 144 (1994)

(an appeal to the Federal Circuit "is taken on the record before The Patent and Trademark Office"). [↑] Because the Board has not established a prima facie case of obviousness, see *In re Bell*, 991 F.2d 781, 783, 26 U.S.P.Q.2D (BNA) 1529, 1531 (Fed. Cir. 1993) ("The PTO bears the burden of establishing a case of prima facie obviousness."), we therefore reverse the obviousness rejections, and have no need to address the parties' arguments with respect to secondary factors.

III

Dembiczak also asks this court to reverse the Board's rejection of the pending claims for [↑] obviousness-type double patenting, which is a judicially-created doctrine that seeks to prevent the applicant from expanding the grant of the patent right beyond the ^[**19] limits prescribed in Title 35. See, e.g., *In re Braat*, 937 F.2d 589, 592, 19 U.S.P.Q.2D (BNA) 1289, 1291-92 (Fed. Cir. 1991); *In re Longi*, 759 F.2d 887, 892, 225 U.S.P.Q. (BNA) 645, 648 (Fed. Cir. 1985). See also 35 U.S.C. § 154(a)(2) (Supp. 1998) (discussing patent term). The doctrine prohibits claims in a second patent which define "merely an obvious variation" of an invention claimed by the same inventor in an earlier patent. *Braat*, 937 F.2d at 592, 19 U.S.P.Q.2D (BNA) at 1292 (quoting *In re Vogel*, 57 C.C.P.A. 920, 422 F.2d 438, 441, 164 U.S.P.Q. (BNA) 619, 622 (CCPA 1970)). Thus, unless a claim sought in the later patent is patentably distinct from the claims in an earlier patent, the claim must be rejected. See *In re Goodman*, 11 F.3d 1046, 1052, 29 U.S.P.Q.2D (BNA) 2010, 2015 (Fed. Cir. 1993);

Vogel, 422 F.2d at 441, 164 U.S.P.Q. (BNA) at 622. [↑] This question is one of law, which we review de novo. See *Goodman*, 11 F.3d at 1052, 29 U.S.P.Q.2D (BNA) at 2015; *Texas Instruments Inc. v. United States Int'l Trade Comm'n*, 988 F.2d 1165, 1179, 26 U.S.P.Q.2D (BNA) 1018, 1029 (Fed. Cir. 1993).

[*1002] A

APPENDIX B

↑ The law provides that, in some very rare cases, obvious-type double patenting may be found between design and utility patents. [**20] See Carman Indus., Inc. v. Wahl, 724 F.2d 932, 939-40, 220 U.S.P.Q. (BNA) 481, 487 (Fed. Cir. 1983) (noting that, while theoretically possible, "double patenting is rare in the context of utility versus design patents"); In re Thorington, 57 C.C.P.A. 759, 418 F.2d 528, 536-37, 163 U.S.P.Q. (BNA) 644, 650 (CCPA 1969) (Double patenting between a design and utility patent is possible "if the features producing the novel aesthetic effect of a design patent or application are the same as those recited in the claims of a utility patent or application as producing a novel structure."); In re Phelan, 40 C.C.P.A. 1023, 205 F.2d 183, 98 U.S.P.Q. (BNA) 156 (CCPA 1953); In re Barber, 23 C.C.P.A. 834, 81 F.2d 231, 28 U.S.P.Q. (BNA) 187 (CCPA 1936); In re Hargraves, 19 C.C.P.A. 784, 53 F.2d 900, 11 U.S.P.Q. (BNA) 240 (CCPA 1931). In these cases, a "two-way" test is applicable. See Carman, 724 F.2d at 940, 220 U.S.P.Q. (BNA) at 487. Under this test, the obviousness-type double patenting rejection is appropriate only if the claims of the two patents cross-read, meaning that "the test is whether the subject matter of the claims of the patent sought to be invalidated would have been obvious from the subject matter of the claims of the [**21] other patent, and vice versa." Id., 220 U.S.P.Q. (BNA) at 487. See also Braat, 937 F.2d at 593, 19 U.S.P.Q.2D (BNA) at 1292 (explaining two-way test).

B

In making its double patenting rejection, the Board concluded that all but one of the pending claims of Dembiczak's utility application would have been merely an obvious variation of the claims of the earlier-issued design patents--the Dembiczak '023 and '254 references--in light of the Holiday reference. The remaining claim, dependent claim 49, was judged obvious in light of the combination of the Dembiczak design patents, Holiday, and the Kessler reference.

Acknowledging that the two-way test was required by Carman, 724 F.2d at 940, 220 U.S.P.Q. (BNA) at 487, the Board concluded that "the design claimed in each of appellants' design patents does not exclude the features pertaining to the construction and color of the bag, the use of a plastic material for making the bag, the size or thickness of the bag . . . or the use of various types of filling material The particular details of the facial indicia would have been a matter of design choice as evidenced by the Holiday handbook," and that therefore, in view of Holiday, the claims of the [**22] design patents were obvious variants of the pending utility patent claims. See Dembiczak, slip op. at 11. We disagree.

↑ In order for a design to be unpatentable because of obviousness, there must first be a basic design reference in the prior art, the design characteristics of which are "basically the same as the claimed design." In re Borden, 90 F.3d 1570, 1574, 39 U.S.P.Q.2D (BNA) 1524, 1526 (Fed. Cir. 1996); In re Rosen, 673 F.2d 388, 391, 213 U.S.P.Q. (BNA) 347, 350 (CCPA 1982). The phrase "having facial indicia thereon" found in the claims of the pending utility application is not a design reference that is "basically the same as the claimed design." Borden, 90 F.3d at 1574, 39 U.S.P.Q.2D (BNA) at 1526. In fact, it describes precious little with respect to design characteristics. The Board's suggestion that the design details were simply "a matter of design choice" evinces a misapprehension of the subject matter of design patents. E.g., Carman, 724 F.2d at 939 n.13, 220 U.S.P.Q. (BNA) at 486 n.13 ("Utility patents afford protection for the mechanical structure and function of an invention whereas design patent protection concerns the ornamental or aesthetic features of a design.") Indeed, we note [**23] that the two design patents at issue here--the Dembiczak '023 and '254 patents--were considered nonobvious over each other, and were even the subject of a restriction requirement. See 35 U.S.C. § 121 (1994) ("If two or more independent and distinct inventions are claimed in one [*1003] application, the Commissioner may require the application to be restricted to one of the inventions."); 37 C.F.R. § 1.142. The position adopted by the Board--that a textual description of facial indicia found in the claims of the utility patent application makes obvious the specific designs claimed in the (patentably distinct) Dembiczak design patents--would presumably render obvious, or even anticipate, all design patents where a face was depicted on a bag. But this, of course, is not the law; the textual description cannot be said to be a reference "basically the same as the claimed design," of the design patents at issue here. Borden, 90 F.3d at 1574, 39 U.S.P.Q.2D (BNA) at 1526 (internal quotation marks omitted). The Board's conclusion of obviousness is incorrect.

Because we find that the Board erred in concluding that the design patents were obvious variants of the pending utility claims, we need not address [**24] the other prong of the two-way double patenting test--whether the pending utility claims are obvious variations of the subject matter claimed in the design patents. See Carman, 724 F.2d at 939, 220 U.S.P.Q. (BNA) at 487 (both prongs of the two-way test required for obviousness-type double patenting). The double patenting rejections are reversed.

IV

Because there is no evidence in the record of a suggestion, teaching, or motivation to combine the prior art references asserted against the pending claims, the obviousness rejections are reversed. In addition, because the Board misapprehended the test for obviousness-type double patenting, and because the pending utility claims do not render obvious the design patents, the double patenting rejections are also reversed.

REVERSED

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APPENDIX B